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## SCHEDULES

### SCHEDULE 2

Sections 4 and 8 to 11

#### FINANCIAL PROVISIONS RELATING TO SECTIONS 4 (PENALTY CHARGES FOR ROAD TRAFFIC CONTRAVENTIONS) AND 8 TO 11 (FIXED PENALTIES) OF THIS ACT

- 1 Transport for London and each borough council shall keep accounts of their income and expenditure in respect of—
- (a) section 4 (Penalty charges for road traffic contraventions) of this Act; and
  - (b) the administration and enforcement of sections 8 to 11 (Fixed penalties) of this Act in relation to each of the enactments listed in Schedule 4 to this Act, and (except where otherwise provided) the following provisions of this Schedule shall have effect with respect to each of those accounts.
- 2 (1) At the end of each financial year any deficit in the account shall be made good out of—
- (a) in the case of a borough council, their general fund; and
  - (b) in the case of Transport for London, the financial reserves for which provision is made under section 85(4)(c) of the Greater London Authority Act 1999 (c. 29) in calculating Transport for London's component budget for the financial year in question.
- (2) Subject to paragraphs 3 and 4 below, at the end of each financial year any surplus shall be applied for all or any of the purposes specified in paragraph 7 below, and insofar as it is not so applied, shall be appropriated to the carrying out of some specific project falling within those purposes and carried forward until applied to carrying it out.
- 3 Any amount not applied by a borough council in any financial year may, if that council so determine, be carried forward in the account kept under paragraph 1 above to the next financial year.
- 4 Any amount not applied by Transport for London in any financial year may, if Transport for London so determine, be carried forward in the account kept under paragraph 1 above to the next financial year.
- 5 (1) This paragraph applies to accounts kept under paragraph 1(a) above.
- (2) Each borough council and Transport for London shall, after each financial year, report to the Mayor of London on any action taken by them, pursuant to paragraph 2 or 3 above, in respect of any deficit or surplus in their account for the year.
- 6 The report under paragraph 5 above shall be made as soon after the end of the financial year to which it relates as possible.
- 7 The purposes referred to in paragraph 2 above are—
- (a) the making good—
    - (i) in the case of a borough council, to their general fund; and
    - (ii) in the case of Transport for London, to the financial reserves for which provision is made under section 85(4)(c) of the Greater

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- London Authority Act 1999 (c. 29) in calculating Transport for London's component budget for the financial year in question;
- of any amount charged to that fund under paragraph 2 above in the four years immediately preceding the financial year in question;
- (b) meeting costs incurred whether by the council or by some other person, in the provision or operation of, or of facilities for, public passenger transport services;
- (c) the purposes of a project connected with the carrying out by the appropriate highway authority (whether or not the borough council) of any operation which, within the meaning of the Highways Act 1980 (c. 66) constitutes the improvement of a highway in the council's area;
- (d) meeting costs incurred by the borough council or Transport for London in respect of the maintenance of roads maintainable by them at the public expense;
- (e) meeting all or any part of the cost of the doing by the council or Transport for London in their area of anything—
- (i) which facilitates the implementation of the London transport strategy; and
- (ii) which is for the time being specified in that strategy as a purpose for which a surplus may be applied by virtue of this paragraph; and
- (f) making to any other London authority contributions towards the cost of the doing by that other authority or anything towards the doing of which in its own area the authority making the contribution has power—
- (i) to apply any surplus on the account required to be kept under paragraph 1 above; or
- (ii) to incur expenditure required to be brought into that account.
- 8 In paragraph 7 above—
- “London authority” means a borough council or Transport for London;
- “the London transport strategy” means the transport strategy prepared and published under section 142 (the Mayor's transport strategy) of the Greater London Authority Act 1999.
- 9 For the purposes of paragraph 7 above, Transport for London's area shall be taken to be Greater London.